Approved For Release 2009/07/23 : CIA-RDP79I	25X
10 EASTERN EUROPEAN INTELLIGE	NCER 25X 15 January 1968
Bulgarian Reaction to Novotny's Department and information media have reporting the recent Czech leadership Dubcek's appointment the Bulgarian pagraphy and a very proper message from Zhivkov. A television report led of:	e exercised caution in post changes. Following ress published his bio-managerian party leader
to Dubcek, but was immediately followed latory message to the Brazilian Common of its Sixth Party Congress. The time two messages seemed to equate the events. On 9 January another press at the serious internal problems of the after the first edition pointing up faced by the editors in presenting No.	wed by another congratu- unist Party on the occasion ming and presentation of e importance of both article which dealt with Czech party was killed the delicate problem
COMMENT: The separation of the posts cannot be a popular theme for alone as the only Eastern European lefirst secretary and premier. Since been booming in recent years, Sofia blame Czechoslovakia's problems on i	Zhivkov who now stands eader who is both party Bulgaria's economy has will probably choose to
Political Changes in Prague may Warm The new leadership in Prague see its relations with West Germany.	

The Czechoslovaks have offered the West Germans the "fanciest" building in Prague, but they will probably turn it down in favor of a smaller, less expensive one. Prague originally offered the Israeli legation, but Bonn refused because it was too small and there were political objections. The West German officials assigned to the mission are scheduled to arrive in Prague the week of 22 January.

DIA review completed.

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EXCLUDED FROM AUTOMATIC DOWNGRADING AND DECLASSIFICATION

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On 14 January Deputy Minister for Foreign Affairs Otto Klieka, thought to be a staunch anti-German, was named Czechoslovak Ambassador to Cairo. Klieka, an intelligent and capable diplomat, spent some five years in Nazi concentration camps, and later became known as an expert on Germany in the foreign ministry. Since he is a dedicated Communist and a Novotny man, he may be one of those hardline leaders opposing rapprochement with Bonn. Klicka's wife, Karla, is known to be outspokenly anti-German.

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<u>Ulbricht Meets</u> with Soviet Ambassador

The East German news agency ADN reported on 12 January that East German leader Walter Ulbricht and Soviet Ambassador to the GDR Petr Abrasimov met that day to discuss questions of mutual interest. The meeting, ADN reported, took place in a friendly atmosphere.

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COMMENT: Ulbricht also attended a Volkskammer meeting on the 12th.

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the East Germans are consulting with the Soviets, possibly about the situation in Prague and the 6 January Soviet memorandum on West Berlin.

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In connection with the latter, the East German Foreign Ministry issued a statement on 13 January denouncing Chancellor Kiesinger's plans to attend a CDU conference in Berlin on the 19th. The statement characterized the meeting as further evidence of the "intensification of the revanchist course of the Bonn government," and laid the responsibility for the consequences of such actions with its "instigators" in Bonn and West Berlin.

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Rumors About Impending Ouster of Polish Defense Minister Continue

The latest rumor concerns the replacement of Defense Minister Spychalski by Interior Minister Moczar. According to a Belgian military attache visiting Warsaw, Spychalski is in trouble because of his wife who is in Israel and a daughter now in Paris, neither of whom intend to return home. The stories cast Spychalski as being unable to command the loyalty of his family and thus unworthy of retaining the position of Defense Minister.

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COMMENT: Rumors, probably started by the ambitious Moczar clique, have been circulating Warsaw since the Near East crisis claiming that Mrs. Spychalski was in Israel and refused to return. However, both Spychalski and his wife have appeared together in Poland since that time, which tends to discount stories that there is a serious difference of opinion between them. The Spychalski's have two daughters and one may indeed be studying in Paris.

Latest Round of Canadian Claims Talks in Budapest Draws a Blank

The latest round of Hungarian-Canadian claims negotiations, held from 27 November to 13 December, ended abruptly when the Canadians broke off negotiations two days early when it became obvious that no progress was being made. Since the last round of talks, both parties' positions seem to have hardened. The Canadians held firm on their 7.5 million dollar claim, a fraction of the original claim of 24 million dollars. The Hungarians replied by withdrawing a \$6,000,000 offer made at the preceding round. Karoly Reti, chief of the Hungarian Foreign Ministry's international claims department, presented a position based on Marxist polemics and displayed no real intention to compromise. The Canadians will attempt to reopen the question of claims with political leaders since they seem to have reached an impasse at the technical level.

Ireland Suspends Imports from East Germany

Ireland has temporarily suspended the importation of East German fertilizers containing animal matter in order to prevent the spread of hoof and mouth disease which is currently raging in England and traced to East German imports. The 25X1 GDR has conducted an intensive year-long campaign to wipe-out hoof and mouth disease and prevent its spreading but apparently has been only moderately successful in checking it.

COMMENT: The UK has alluded to the GDR as a possible source of the current epidemic which has caused the destruction of countless cattle in England. While the GDR admits to having had a rash of the disease, it claims to have taken the proper precautions to prevent the spread to other countries. Travelers to East Germany reported the stringent measures to try to confine the disease, which apparently failed. Smarting from

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this bit of misfortune a <u>Neues Deutschland</u> editorial some weeks ago satirically commented that <u>East Germany was</u> responsible for hoof and mouth disease in <u>England</u> as well as for causing devaluation of the pound.

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NOTE: THE VIEWS EXPRESSED ABOVE REPRESENT ONLY THE ANALYSIS OF THE EE DIVISION